Whatever may be the state of the law in general as to the entity theory of partnerships (see 10 MICH. L. REV. 578), this conclusion seems in accord with the authorities which hold that where two partnerships, or an individual and a partnership, form a conjoint partnership, there is no rule of law to prevent the partnership as such, becoming a distinct member of the new firm, provided the parties to the contract so intend it. *Meador* v. *Hughes,* 14 Bush. (Ky.) 652; *Bullock* v. *Hubbard,* 23 Cal. 496; *Meyer* v. *Krohn,* 114 Ill. 574; *Willson* v. *Morse,* 117 Ia. 581; *Raymond* v. *Putnam,* 44 N. H. 160; *In re Gilbert,* 94 Wis. 108; *In re Hamilton,* 1 Fed. 800. With this point decided, the application of the statute to the facts is clear. The court arrives at the same conclusion as the Wisconsin court did under the State insolvency procedure in *In re Gilbert, supra.*

BANKS AND BANKING—CHECKS—FICTITIOUS PAYEE.—Plaintiff drew a check in favor of E. Crawford, who was thought to be a real person, but who was in fact merely fictitious. The check was obtained by one Weil, who forged the name of E. Crawford on the back thereof and cashed it at the defendant bank. *Held,* the payment was not binding on the drawer and was made at the peril of the bank. *Guaranty State Bank & Trust Co.* v. *Lively* (Texas 1912) 149 S. W. 211.

Under the NEGOTIABLE INSTRUMENTS LAW paper payable to a fictitious or non-existing person is not payable to bearer unless the maker or drawer knew that the payee was a fictitious or non-existing person. *Shipman* v. *Bank of State of New York,* 126 N. Y. 318. Under the English statute paper payable to a fictitious or non-existing person is payable to bearer, irrespective of the element of knowledge on the part of the maker or drawer. BILLS OF EXCHANGE ACT, § 7 (3). The weight of authority is in accord with the Negotiable Instruments Law. *First Nat. Bank* v. *Farmers' Bank,* 56 Neb. 149; *Armstrong* v. *Bank,* 46 Ohio St. 512; *Chism* v. *Bank,* 96 Tenn. 641. A bank is bound at its peril to ascertain the genuineness of an indorsement, and if it pays a check on a forged indorsement it acquires no rights against the drawer, and cannot charge to his account the amount so paid out. *Hatton* v. *Holmes,* 97 Cal. 208; *Williams* v. *Drexel,* 14 Md. 566. An indorsement by a person bearing the same name as the payee, but not the real person, is a forgery, and payment to him will not excuse the bank from paying the true owner of the paper. *Graves* v. *American Exch. Bank,* 17 N. Y. 205; *Indiana Nat. Bank* v. *Holtsclaw,* 98 Ind. 85.

BILLS AND NOTES—BONA FIDE HOLDER.—Plaintiff became the indorsee of a check with knowledge that the drawer had no funds on deposit to pay it, and under request by the indorser, at the instance of the drawer, to delay presentment. *Held,* that such knowledge did not deprive the plaintiff of the rights of a *bona fide* holder, especially since he had previously received checks from the same parties under the same circumstances which had been paid upon presentment. *Johnson* v. *Harrison* (Ind. 1912) 97 N. E. 930.

After various changes and considerable indefiniteness in the rule as to just when the acquisition of negotiable instruments may be said to be with-

out notice of defects in the title of the transferrer, the *bona fides* of the transaction has been finally laid down as the decisive test and the weight of authority. 1 DANIEL, NEG. INST. (Ed. 5) § 775; *Hamilton* v. *Vought*, 34 N. J. L. 187; *Hamilton* v. *Marks*, 63 Mo. 167. The doctrine, which prevailed for some time, both in England and America, that knowledge of suspicious circumstances sufficient to put an ordinarily prudent and careful man on inquiry would be conclusive evidence of bad faith, has been universally abandoned. *Goodman* v. *Harvey*, 4 Ad. & El. 870; *Smith* v. *Livingston*, 111 Mas. 342; *Phelan* v. *Moss*, 67 Pa. 59. In the case of *Hamilton* v. *Vought, supra*, the various rules which existed from time to time are discussed with considerable clearness, and the authorities are fully collated, from which the court comes to the conclusion that the "suspicious circumstances" rule is inconsistent with true commercial policy. In the principal case the court said that "we are not unaware of the fact that checks are not infrequently drawn and delivered to the payee, not to be immediately presented for payment, when the drawer has not funds but intends to have at the time the check is presented." The only case cited by the court to sustain its holding is *Matlock* v. *Scheuerman*, 51 Or. 49, in which the indorsee was also requested to wait two or three days before presenting the check for payment. This case, however, differs from the principal case in that the indorsee did not have actual knowledge that there were no funds on deposit; but it is reasonable to suppose that a request to delay presentment would convey knowledge that such was the fact. The court correctly remarks that "we cannot see that the transaction carries a more distinct warning of fraud than would a postdated check." The fact that a check is postdated will not prevent the holder from being a *bona fide* purchaser for value. *Mayer* v. *Mode*, 14 Hun 155; *Bill* v. *Stewart*, 156 Mass. 508. As bearing upon the question as to what constitutes a *bona fide* holder see 5 MICH. L. REV. 466.

CARRIERS—DUTY TO PROTECT PASSENGERS.—In an altercation between a passenger and a street car crew, the motorman threw the controller lever at the passenger, who had left the car; whereupon the latter shot into the car, killing another passenger, the plaintiff's intestate. Plaintiff sues the street car company. *Held*, "in thus precipitating the difficulty the motorman was violating the duty owed to the passengers, of protection, and for the result, the defendant became liable." *Gooch* v. *Birmingham Ry., Light and Power Co.* (Ala. 1912) 58 South. 196.

The facts in the case of *Penney* v. *Atlantic Coast Line R. Co.*, 133 N. C. 221, 45 S. E. 563, 63 L. R. A. 497 are similar to those given above, the court there holding the defendant liable on the same ground. It is incumbent on the railroad company to exercise the very highest degree of care in the protection of its passengers from the wrongful acts of co-passengers; *Louisville, etc. R. Co.* v. *Finn*, 16 Ky. L. R. 57; *Pittsburg, etc. R. Co.* v. *Pillow*, 76 Pa. St 510, 18 Am. Rep. 424; *Kinney* v. *Louisville, etc. Ry. Co.*, 99 Ky. 59, 34 S. W. 1066; *Texas, etc. R. Co.* v. *Johnson*, 2 Texas Civ. App. 154; *Jansen* v. *Minn. & St. Louis R. Co.*, 128 N. W. 826, 32 L. R. A.